

CHAPTER NO. 725

SENATE BILL NO. 3215

By Atchley, Crutchfield, Fowler, Crowe, McNally

Substituted for: House Bill No. 3345

By Armstrong, Brown, Brenda Turner, Sharp

AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 6, relative to the payment of sales and use tax in certain circumstances.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:


SECTION 1. Tennessee Code Annotated, Section 67-6-209, is amended by adding the following language as a new, appropriately designated subsection:

(_) There is exempt from the tax imposed by this chapter any tangible personal property owned by the United States, or any agency thereof, that is provided to a contractor or subcontractor on a temporary basis for testing pursuant to a contract awarded by the United States, or any agency thereof, to such contractor or subcontractor under the Small Business Innovation Research Program, as that term is defined in 15 U.S.C. §638(e)(4). The exemption provided by this subsection shall apply only to property that is the subject of the test being performed and property into which the subject of the test must be incorporated before the testing can occur. The exemption provided by this subsection shall not apply to any equipment, machinery or other property used to conduct the test.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: May 5, 2004


JOHN S. WILDER
SPEAKER OF THE SENATE


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 19th day of May 2004


PHIL BREDESEN, GOVERNOR